

**Remarks to the National Academy
Foundation Conference in
Anaheim, California
July 8, 1999**

You know, Hazel, you might consider just skipping that hotel business and going right into politics. [*Laughter*] I want to thank all of you for your welcome. And I thank Hazel and her fellow winners behind us for reminding us of why we're here. Mayor Daley, thank you for making me feel welcome—and, Secretary Daley, Secretary Slater. Representative Sanchez, we're delighted to be in your district and to be here with other Members of Congress who are here.

I'd like to say a special word of appreciation to my wonderful friend, our former Secretary of State, Warren Christopher, who is here with us today and supporting this endeavor.

Since this is the last event for me in this weeklong odyssey across America to our—what we called America's new markets, I'd like to say a special word of thanks to the folks on the White House staff who made it possible, including my National Economic Adviser, Gene Sperling, without whom this never would have occurred.

And I want to say a special word of thanks to Reverend Jesse Jackson, who worked with Sandy Weill on the Wall Street Project, went to Appalachia before it was fashionable, who always believed that poor people were smart, wanted to work, and had a right—a moral right—to be part of America's future. Thank you, Jesse Jackson.

And thank you, Sandy Weill, for the Wall Street Project, which attempts to marry the investment capacity of Wall Street with the human capacity of all those places we've been visiting. Thank you for the National Academy Foundation. Thank you for being a good friend to me and to all these young people and so many others. And thank you for inviting me to this annual conference.

This is really quite an appropriate place for me and those who have traveled with me this last week on our new markets trip to end our journey, reaffirming your commitment and ours to prepare all our children for the new century. Over the past 4 days, as I have traveled across America, we have

sought to shine the spotlight on places still unlit by the sunshine of our present prosperity. A number of you have been along for what has truly been a remarkable ride.

We've seen the power of people in public and private life to work together in the Appalachians and in the Mississippi Delta. We've seen the spark that retail investment can bring in the first shopping center built in decades in East St. Louis, Illinois. We've seen the impact in the most basic infrastructure and housing opportunities, even in the remote regions of Indian country in South Dakota, still the most left-behind part of America.

In south Phoenix yesterday, in temperatures exceeding 100 degrees, we saw the enormous benefits of community reinvestment initiatives. And here, earlier today, we saw what education and job training can bring to young people in Watts—people who are normally identified with distressed neighborhoods, showing me how to design automobiles on a computer, or to conduct sophisticated business transactions between two different countries with young Americans 17 years old picking up a commission for being the middleman.

I took this trip for three reasons. First, I wanted every American businessperson, every American investor, to see that there are enormous opportunities out there today in the areas that have been left behind by our economic recovery. Second, because I wanted to highlight the tools that have already been put in place, to encourage more people to invest in those communities: the empowerment zones and the enterprise communities which Vice President Gore has so ably led for 6 years now; the community development financial institutions that we have supported; the Community Reinvestment Act, which has led to billions of dollars of reinvestment in our developing neighborhoods; the education and training initiatives designed to give all of our people a chance not only to have good, basic skills, but to keep on learning for a lifetime.

And third, I wanted to highlight our new markets initiative, a piece of legislation simply designed to give American investors who

are willing to take a chance on new and expanded businesses in distressed urban and rural communities access to the same kind of tax credits and loan guarantees—to lower the relative risk of their investment—in America that they can get to invest in poor communities from Africa to Asia to Latin America to the Caribbean. I'm for those investments, but I think America's communities should have access to the same capital with the same incentives.

The idea behind this, obviously, is that the Government cannot do this alone, but business cannot be expected to go it alone. When Government provides the conditions and tools, acts as a catalyst to bring the power of the private sector to benefit all of our citizens, and provides the investment and the education and training of our young people, this is not only good economics, it is the right thing to do. We can build one America where nobody is left behind when we cross that bridge into a new century. And if we do, we'll all be better off.

The CEO's and national leaders I have traveled with, we've heard it every stop: "Look, we just need a chance; our kids need education; our adults need training; and we need somebody who believes in us enough to give us a chance."

I'll never forget the woman we met in the Mississippi Delta, who was working for a very small business in a depressed community that had five employees. She made a very modest wage, and the owner of the business just decided to close up. He said to her she was the only person capable of running the business. But nobody would give her a loan because she'd never had any money in her life; she had only worked for modest hourly wages.

Because there was a community investor willing to take a chance on her, she got investment capital; she bought the business. Two years later she went from 5 to 11 employees, and she has just about paid her loan off. There are thousands of stories like that waiting to be written in America in every community that is still depressed.

So we want to encourage that. And that's why so much of this trip is focused on how to get financing. A remarkable businesswoman from New York, Marianne Spraggins,

went on this trip. She's trying to set up a vision fund with \$250 million in private sector capital to give venture capital to these kinds of places. If we get our way, the people who invest in that fund will be eligible for a 25 percent tax credit for putting that money into high unemployment areas, and they'll be eligible to borrow \$2 for every \$1 they put up in that fund and have it guaranteed by the Government so we lower the interest rate. That's the Government's contribution; but somebody still has to make the investment to put these people to work.

So most of the capital we've been talking about these last several days has been money. We see in the Pine Ridge reservation in South Dakota a remarkable grandmother, providing schoolclothes for her grandchildren, having to literally buy the tennis shoes her grandchildren wear to school on the installment plan all summer long while the shoes are kept in layaway, so the kids will have them. Then there were 11 people living in a house with about 800 square feet, another 17 in an adjoining housetrailer with about 900 square feet. We need money; those people need housing.

We also saw American Indians, that have been waiting for 9 years, moving into their first homes. A little 5-year-old boy, 6-year-old boy took me by the hand and led me all through his new home and showed me his sister's room and explained why it was okay that she had a bigger room than he did. [Laughter] She was a teenager, and teenagers needed things like that. [Laughter] The pride that they felt, these people, this mother who had worked all her life and finally getting a decent home for her children to live in.

So a lot of this is a money problem. I used to joke with a lot of my friends—I still say this—that I had about 9 or 10 rules of politics that I kept in my mind all during my career running for office, and rule number 2 was, when anybody stands up and tells you it's not a money problem, they're talking about somebody else's problem, not theirs. [Laughter]

So money is a big issue here. But there's another kind of capital that in some ways is even more fundamental, human capital—people. When Hazel stood up here and you

clapped for her, you were clapping for the astonishing development of human capital, of what she has done with her life and the chance that her mother took in going to Hawaii, the risks and the heartache and the difficulties her family went through. It made you feel good.

And what I want to say to you today is that there are people just like these young people we're honoring back here on every Indian reservation, in every hill and hollow of Appalachia, up and down the Mississippi Delta, in every inner city. And they deserve—they deserve—the chance to be whatever they're willing to work hard to be. And unless we're prepared to do that, even our best efforts to bring new investment to these distressed communities will be less than fully successful.

Now, we have a better opportunity and a better reason to do that now than ever before. As I tell people, I spend a lot of time in Washington—Sandy's always saying that I've done a good job as a Democrat with the economy so more people can live like Republicans. [Laughter] And I've done my best to do that.

But you should know that one of the things that we seriously debate back in Washington, DC, a long way from Anaheim, is how can we keep this going. We already have the longest economic expansion in peacetime in our history. We have the lowest African-American and Hispanic unemployment rates ever recorded. We have almost 19 million new jobs, and we have very low inflation, and we've had unemployment rate below five percent for 2 years. So a big question is, how much longer can this go on, and how can we keep it going without having inflation buildup, then having interest rates go up and having the recovery stop?

This is not an academic issue if you're about to get your first job or if you're sitting there trying to make up your mind whether to take out a huge bank loan to expand your business. You want to know if we can keep this going.

My answer is, we can keep it going if we can find noninflationary ways to promote growth. Now, what are those? Well, we can sell more American goods and services around the world—why I hope the Congress

will agree to help us expand our trade with other countries. We can also bring populations that are outside the work force into the work force. With the welfare rolls—they're now the lowest they've been in 30 years and there are a lot of people still on welfare that are able-bodied, but they have limited skills, we could bring more people from welfare into the work force.

You can bring hundreds of thousands of disabled people who are capable of doing more and more kinds of jobs, thanks to technology now, into the work force. And the Congress, I believe, will soon send me a bill that will enable those that have high health care costs that are now being paid by the Government to keep that health care coverage so private employers can afford to hire them.

But by far, the biggest opportunity—by far—in keeping this economy going without inflation is to get more investments, more jobs, more new business owners, more new workers and, therefore, more new consumers, into the rural and urban areas that have not yet been blessed by this recovery.

That's why every single American actually has a vested interest in our success here. And more and more businesses are looking for young people like those we celebrate, because there's a shortage of skilled workers, even though there are people who are still looking for jobs. In some job categories, a shortage of hundreds of thousands. Therefore, if Americans are willing to look a few exits off the beaten path, we can continue to grow this economy and we can continue to have more of the kind of stories we just heard.

Let me also say to you, if we can't do this now, with the strongest economy we have ever had, when it is manifestly in the self-interest of every enlightened decisionmaker in the country, when will we ever get around to doing it?

Let me tell you some of the things that we saw on the human capital front. We walked down the dusty streets on an Indian reservation. We saw the boarded-up storefronts in a town in the Mississippi Delta, famous for its role in the civil rights struggle. We saw desperate living conditions in a little hollow in Appalachia where everybody had

a job and they still couldn't afford a decent house to live in.

But every place we went, nobody wanted charity, nobody wanted a handout. What they wanted was a hand up. That's why this will work. What people want is a good private sector job, the simple dignity of a paycheck, the ability to house and educate their children and provide health care for them. And what you know here, what these young people behind me demonstrate, is that intelligence and ability and drive and dreams are equally distributed in this country among the poor and the nonpoor.

I've often said, things happen to people that derail their lives, and then they have to work hard to get them back on track. Things happen to places like that, too. I know the Mississippi Delta, which includes a big part of my own home State, the economy that once sustained that area has been gone a long time. Nobody was ever able to figure out how to put a new economy in its place. But there's a new economy out there that could fit in that place.

There are new economies that could fit in the most remote villages of the Appalachian Mountains. There are new economies that could go into the Native American reservations. How many data processing jobs do American companies ship overseas on airplanes every night to go to poor countries and other places? They could be done on Indian reservations, for example. We have got to think about that.

We all can identify with a human story. If Hazel stands up here and tells us the story of her family, it grips us and we pull for her. But what you need to know is, all these places have stories like that. We got the land and the mineral rights away from the Indians, and we said, oh, we'll make a deal, we'll have a nation-to-nation relationship with you, and we will provide for the education and health care and housing of your people; but we'll do a poor job of it and we'll spend just as little as we can get away with. And then, we'll say you must not really want to do any better.

We have to write new stories for these places. And it takes a commitment to money capital and to human capital. And what Sandy and all of you who have been involved in

this magnificent project show, this is Exhibit A that we can do it.

Now, let me say on a very positive note, I'm quite optimistic—that I am quite sure that one answer to this in the United States and all across the world is better dispersal of technology. When I went to Africa, I went to these little villages where people had maps—these children were in these little village schools where they had maps that still showed the Soviet Union and other nations that haven't existed in a long time. But if those kids just had one computer for the school and a printer, they would never have to worry about that. We could change the map of the world every day, and all those little kids would have an updated map. Right?

Technology will enable some of these areas to skip a whole generation of development if it is broadly dispersed. Secretary Daley referred to the Department of Commerce report today on technology. Let me tell you what it says. It confirms what you already know. More and more Americans than ever are connected to the Internet. It is the fastest-growing method of human communication in all of history by far.

But it also shows, this report, that there is a growing digital divide between those who have access to the digital economy and the Internet and those who don't, and that the divide exists along the lines of education, income, region, and race. It might have pointed out, of course, that all of us parents are not as good as our kids. That divide's not so serious, but the real one is.

And yet, we know—I will say again—that the very information technology driving this new economy gives us the tools to ensure that no one gets left behind. It gives us the tools to provide a story for these communities, to literally provide a self-sustaining economic infrastructure for the 21st century. Millions of Americans now on the economic margins can join the mainstream in the enterprise of building our Nation.

A child in South Central LA, in the most remote part of Indian country, can have access to the same world of knowledge in an instant as a child in the wealthiest suburban school in this country. Now, just imagine if not simply a fraction, but all of our young

people entered the work force, had access to the Internet always, and had mastered the skills of the new information economy.

So if we want to unlock the potential of our workers, we have to close that gap. We've done what we could. We have provided the HOPE scholarship and other tax credits so that we've literally opened the doors of college to all Americans. We have emphasized higher standards, smaller classes, more teachers. We're connecting every American classroom to the Internet, and I think we'll make our goal that the Vice President and I established here in California in 1994 of having all the classrooms connected by the year 2000.

The \$8 million in corporate commitments made today by this group are so very important, as are the information technology academies to which Sandy referred earlier. Sandy has said often that today's students are tomorrow's employees, today's students are tomorrow's economy. They're not just somebody else's employees they are tomorrow's economy.

So, bringing these skills to distressed families in distressed communities can have more to do with our ability to restructure the economy in these areas than perhaps anything else. I also want to thank AT&T, and I think, Dan Hesse, the CEO of AT&T Wireless, is here for committing more than \$1.4 million to increase access to the tools of the high-tech economy.

I want to thank America Online, George Vradenburg of AOL is here, for providing more than \$1 million in grants to help narrow the digital divide. I want to thank Oxygen Media on the cable network it will launch next year. They will offer high-tech training on TV, so more embarrassed adults can learn what their kids already know. *[Laughter]*

This is the kind of thing we have to do. If we have money capital and human capital, we can bring hope to the places that have been left behind.

The last thing I want to say to you is this: This tour, this last four days that we have all spent together has been a significant step toward opening America's new markets. But it can't be the end of the journey. It has to be, instead, the opening salvo of a battle to build a real economy in every community in

this country. The real measure of our success is not whether CEO's join the President on a trip like this which moved the nation, but whether the same CEO's and others will return to those markets and move the lives of the people there.

So I say to you, you have to do that. The real test of the success is not whether I've got a legislative idea, but whether Congress will set aside its partisan differences and put that idea into law so we can have more investments in these communities.

Next week I will send our new markets legislation to Congress. Over the next several weeks we'll announce a new national effort to promote the business link partnerships, pairing big businesses with smaller, often disadvantaged companies, an idea the Vice President has so strongly championed.

And this fall we're going to take another tour. I am going to start in Newark to challenge the owners of professional sports teams and professional athletes to follow the example set by the owners of the New Jersey Nets—Ray Chambers and Lew Katz—who set up the ownership of the Nets in a way that 35 percent of the profits of the franchise are reinvested in downtown Newark, to give the future to the people there.

You might know that the Nets have now—those gentlemen have joined in a joint partnership with the New York Yankees, they now have a big partnership, and they have dedicated a significant percentage of the profits of the joint venture to reinvest in inner city New York, in the Bronx, and in Newark.

So I'm going to go up there. I'm going to highlight what they're doing. I'm going to see what we can do to help. And we're going to make another round here to show people that there are things that we can do together that are both morally right and good business.

Often on this trip Reverend Jackson has referred to the fact that Dr. Martin Luther King, just before he was killed, thought that he had done about all he could do to get the legal changes necessary to get rid of the stain of racial segregation; and that the great disadvantages and discrimination still alive in America could only be eliminated if there were a new alliance of people across racial

lines to create genuine economic opportunity for all Americans.

It's hard to believe to somebody like me, anyway, at my age, that it has now been more than 30 years since Dr. King was killed and his dream was put on hold. One of the lesser known passages in his famous speech at the Lincoln Memorial in August of 1963 involved language in which he challenged America, and I quote, "to refuse to believe that there are insufficient funds in the great vaults of opportunity in this Nation."

Well, my fellow Americans, today those vaults of opportunity are more full than they have ever been in the entire history of this country. And we have more evidence than we have ever had that when children like those that we talked about today, and when young people like those we celebrate today—Hazel, and her peers behind me—do well, we are all strengthened; that there is a fundamental sense in which our futures are bound up together, from Appalachia to the Mississippi Delta to the Native American reservations to the inner cities to the wealthiest corners of our land.

All our kids need a chance to live their dreams. And the American Dream needs for all Americans to be blessed by the opportunity that has given so much to us.

Thank you for what you do to achieve that goal, and God bless you.

NOTE: The President spoke at 3 p.m. in the Pacific Ballroom at the Anaheim Hilton and Towers Hotel. In his remarks, he referred to award winner Hazel del Rosario; civil rights leader Jesse Jackson; Sanford I. Weill, cochair and co-chief executive officer, Citigroup, and founder and chairman of the board, National Academy Foundation; Marianne Spraggins, senior managing director, Smith Whiteley and Co.; and George Vradenburg III, senior vice president for global and strategic policy, America Online, Inc. (AOL). A portion of these remarks could not be verified because the tape was incomplete.

Remarks on the Patients' Bill of Rights in Torrance, California July 9, 1999

Thank you very much. Well, good morning, and I want to thank Tecla Mickoseff for welcoming us here to Harbor-UCLA. Thank you, Ethel, for your powerful statement out of your personal experience. I want to thank

my old friend Jack Lewin for, as usual, making the case. We're used to being in fights where the evidence is overcome by political power. [*Laughter*] But we're determined to reverse it in this case.

I want to thank Congresswoman Juanita Millender-McDonald; my friends Zev Yaroslavsky and Yvonne Burke and the mayors and other local officials who are here. I thank the leaders of the health care groups that are here, both consumers and providers. Thank you, Reverend Jackson, for coming. We're glad to see you this morning.

I have a couple of things I want to say about health care and about how this Patients' Bill of Rights issue fits into our larger responsibilities to deal with the health of the American people. I have just finished a trip across our country, from Appalachia to the Mississippi Delta to the Pine Ridge Indian Reservation to inner-city neighborhoods in East St. Louis, Illinois, south Phoenix, and Los Angeles. The purpose of this was to shine a spotlight on the opportunity which exists in areas that our prosperity has completely passed by.

It was a remarkable 4 days, and I came in contact with all the health issues that you would be concerned about in the process of pushing an economic agenda. For one thing, when we left Washington and arrived in Appalachia, and arrived in the Mississippi Delta, and arrived in East St. Louis, and arrived in Phoenix, in all those places it was 100 degrees. [*Laughter*] It was cool in Dakota when we got there at night, but the next day it was a mere 94.

And I'm very worried, I must say—I want to say this today—I've been very concerned because a lot of poor people depend upon the LIHEAP program—the Low Income Health Assistance Program, to pay for air-conditioning or get fans in the summertime. And I have, today, directed the appropriate people in our Federal Government to expedite the analysis we're required to do about the effects of the recent heat wave on the need for emergency assistance under this program. We could lose a lot of people who won't even get to the emergency room if we don't do it. So I do want you to know that I hope the message will go across the country to the places I visited and the other places that we know this is going to be a problem.